

News from the FPPC

California Fair Political Practices Commission
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For Immediate Release: July 12, 2006

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FPPC Enforcement Decisions: July 12, 2006

The following are enforcement decisions approved by the Fair Political Practices Commission at its regular monthly meeting held in Sacramento on Wednesday, July 12, 2006. Decisions are divided by category and include a brief summary of each case and the total amount of the fine or fines in each case.

Additional information on each of the enforcement cases below can be found in the July agenda on the FPPC website at <http://www.fppc.ca.gov>. FPPC agendas are distributed and posted on the agency website 10 days prior to each monthly meeting.

The web version of the agenda includes links to the stipulations agreed to by the commission and by the individuals and organizations subject to the fines, or the default decisions ordered by the commission. Exhibits in support of the stipulations and default decisions are also available on the website. If you are unable to access the FPPC website, or need further assistance, please call the FPPC communications office at (916) 322-7761.

Campaign Reporting Violations

In the Matter of William E. Simon, Jr., Bill Simon for Governor, and William R. Turner, FPPC No. 04-489. Staff: Commission Counsel Kourtney Vaccaro and Accounting Specialist Luzmaria Bonetti. Respondent William E. Simon, Jr. was an unsuccessful candidate for Governor in the November 5, 2002, general election. Respondent Bill Simon for Governor was the controlled committee of Respondent Simon. Respondent William R. Turner was the treasurer for Respondent Bill Simon for Governor. Respondents failed to: properly disclose late contributions, in violation of section 84203, subdivision (a) of the Government Code (9 counts); timely report required information for payments made to subvendors, in violation of sections 84211, subdivision

(k) of the Government Code and section 84303 of the Government Code (14 counts); disclose or timely disclose accrued expenses, in violation of section 84211, subdivisions (i) and (k) of the Government Code (10 counts); send or timely send major donor notifications to contributors, in violation of section 84105 of the Government Code (7 counts); and, disclose the lender of loans to Respondent Committee and the entity that pledged security for the line of credit from which the loans were made, in violation of section 84211, subdivisions (f), (g), (h) of the Government Code (5 counts). \$125,000 fine.

In the Matter of Arnold Schwarzenegger, Governor Schwarzenegger's California Recovery Team, and Thomas Hiltachk, FPPC No. 06-183. Staff: Commission Counsel Kourtney Vaccaro and Political Reform Consultant Wayne Imberi. Respondent Arnold Schwarzenegger, his controlled ballot measure committee Respondent Governor Schwarzenegger's California Recovery Team, and the committee treasurer Respondent Thomas Hiltachk failed to timely file online or electronically 24-hour campaign reports disclosing independent expenditures, in violation of section 85500, subdivision (a) of the Government Code (143 counts). \$200,200 fine.

In the Matter of American Agents Alliance Political Action Committee, FPPC No. 05-390. Staff: Commission Counsel Tom Dyer and Chief Investigator Sue Straine. Respondent American Agents Alliance Political Action Committee is a recipient committee formed by American Agents Alliance, a trade association comprised of auto-insurance brokers. Respondent violated the Act by failing to timely file a statement of organization, in violation of Government Code section 84101(a) (1 count), and failing to timely file a semi-annual campaign disclosure statement, in violation of Government Code section 84200(a) (4 counts). \$10,000 fine.

Campaign Reporting and Campaign Bank Account Violations

In the Matter of David Olivas and Committee to Elect David Olivas, FPPC No. 03-151. Staff: Commission Counsel Amanda Saxton and Supervising Investigator Dennis Pellón. Respondent David Olivas was a successful candidate for the Baldwin Park City Council in the March 4, 2003, election. Respondent Committee to Elect David Olivas was the controlled committee of Respondent Olivas with Respondent Olivas acting as its treasurer. Respondents failed to: file a statement of organization, in violation of section 84101, subdivision (a) of the Government Code (1 count); deposit the personal funds of Respondent Olivas into a single, designated campaign bank account prior to expenditure, in violation of section 85201, subdivision (d) of the Government Code (1 count); file a semi-annual campaign statement, in violation of section 84200, subdivision (a) of the Government Code (2 counts); and timely file a pre-election campaign statement, in violation of sections 84200.5, subdivision (c) and 84200.8 of the Government Code (1 count). \$14,500 fine.

Campaign Contribution Violations

In the Matter of George Runner, George Runner for Senate - 2004, and Rita Burleson, FPPC No. 05-776. Staff: Commission Counsel Margaret E. Figeroid and Investigator III Leon Nurse-Williams. Respondent George Runner was a successful candidate for State Senate in the March 2, 2004 primary, and the November 2, 2004 general elections. Respondent George Runner for Senate - 2004 was Respondent George Runner's controlled committee, and Respondent Rita Burleson served as its treasurer. In this matter, Respondents failed to establish a bank account upon receiving contributions for the 2004 State Senate elections, in violation of section 85201, subdivision (a) of the Government Code (1 count); accepted two contributions that exceeded the \$3,200 contribution limit, in violation of section 85301, subdivision (a) of the Government Code (1 count); and failed to disclose required information for contributors of \$100 or more, in violation of sections 84211, subdivision (f) and 85309, subdivision (a) of the Government Code (1 count). \$5,500 fine, and the respondents returned to the contributors the total contribution that resulted in the contributor exceeding the contribution limit.

Major Donor Reporting Violations

In the Matter of Marc Nathanson, FPPC No. 06-164. Staff: Chief of Enforcement John Appelbaum and Political Reform Consultant Jeanette Turvill. Respondent Marc Nathanson qualified as a major donor committee in the first six months of 2004. Respondent failed to file a semi-annual campaign statement, in violation of Government Code section 84200, subdivision (b) (1 count). \$1,500 fine.

Major Donor – Streamlined Program

Failure to Timely File Major Donor Campaign Statements. Chief Investigator Sue Straine and Political Reform Consultant Mary Ann Kvasager. The following entities have entered into stipulations for failing to file major donor campaign statements that were due during calendar years 2002, 2003, 2004 and 2005, in violation of Government Code Section 84200:

- **In the Matter of Cartwright Termite & Pest Control, Inc., FPPC No. 06-020.** Cartwright Termite & Pest Control, Inc. of El Cajon failed to timely file a semi-annual campaign statement disclosing contributions totaling \$12,200 in 2004 (1 count). \$800 fine.
- **In the Matter of The Mills Corporation, FPPC No. 06-149.** The Mills Corporation of Arlington, Virginia failed to timely file semi-annual campaign statements disclosing contributions totaling \$37,000 in 2002 and \$22,750 in 2004 (2 counts). \$1,170 fine.
- **In the Matter of EBF & Associates, L.P., FPPC No. 06-170.** EBF & Associates, L.P. of Minnetonka, Minnesota failed to timely file a semi-annual

campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.

- **In the Matter of Guitar Center, Inc., FPPC No. 06-171.** Guitar Center, Inc. of Westlake Village failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Geoffrey Hayton, FPPC No. 06-172.** Geoffrey Hayton of Victorville failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Sacramento A-1 Door, Inc., FPPC No. 06-177.** Sacramento A-1 Door, Inc. of North Highlands failed to timely file semi-annual campaign statements disclosing contributions totaling \$15,350 in 2004 (2 counts). \$800 fine.
- **In the Matter of USCB, Inc., FPPC No. 06-178.** USCB, Inc. of Los Angeles failed to timely file a semi-annual campaign statement disclosing contributions totaling \$11,600 in 2004 (1 count). \$400 fine.
- **In the Matter of Robert Eichenberg, FPPC No. 06-273.** Robert Eichenberg of Newport Beach failed to timely file a semi-annual campaign statement disclosing contributions totaling \$85,700 in 2004 (1 count). \$1,257 fine.
- **In the Matter of Bari Management, Inc., FPPC No. 06-284.** Bari Management, Inc. of Glendale failed to timely file a semi-annual campaign statement disclosing contributions totaling \$15,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Dolan Foster Enterprises, LLC, FPPC No. 06-287.** Dolan Foster Enterprises, LLC of Pleasanton failed to timely file a semi-annual campaign statement disclosing contributions totaling \$16,750 in 2004 (1 count). \$400 fine.
- **In the Matter of Growth Capital Associates, Inc., FPPC No. 06-293.** Growth Capital Associates, Inc. of Santa Monica failed to timely file a semi-annual campaign statement disclosing contributions totaling \$15,500 in 2004 (1 count). \$400 fine.
- **In the Matter of John A. Harris IV, FPPC No. 06-294.** John A. Harris IV of Berwyn, Pennsylvania failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Harvest Management LLC, FPPC No. 06-295.** Harvest Management LLC of Somerton, Arizona failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.

- **In the Matter of Hofer Ranch, FPPC No. 06-296.** Hofer Ranch of Ontario failed to timely file semi-annual campaign statements disclosing contributions totaling \$10,600 in 2004 (2 counts). \$800 fine.
- **In the Matter of Hof's Hut Restaurants, Inc., FPPC No. 06-297.** Hof's Hut Restaurants, Inc. of Signal Hill failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Hueter & Associates, Inc., FPPC No. 06-298.** Hueter & Associates, Inc. of Emeryville failed to timely file a semi-annual campaign statement disclosing contributions totaling \$35,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Henry R. Kravis, FPPC No. 06-301.** Henry R. Kravis of New York, New York failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Nancy Pelosi for Congress, FPPC No. 06-304.** Nancy Pelosi for Congress of San Francisco failed to timely file a semi-annual campaign statement disclosing contributions totaling \$1,500 in 2004 (1 count). \$400 fine.
- **In the Matter of Republic Document MGMT, Inc., FPPC No. 06-306.** Republic Document MGMT, Inc. of Diamond Bar failed to timely file a semi-annual campaign statement disclosing contributions totaling \$13,500 in 2004 (1 count). \$400 fine.
- **In the Matter of RLMK, Inc., d.b.a. McDonald's, FPPC No. 06-307.** RLMK, Inc., d.b.a. McDonald's of Visalia failed to timely file a semi-annual campaign statement disclosing contributions totaling \$13,650 in 2004 (1 count). \$400 fine.
- **In the Matter of Henry Segerstrom, FPPC No. 06-308.** Henry Segerstrom of Costa Mesa failed to timely file a semi-annual campaign statement disclosing contributions totaling \$25,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Thomas Curtis M.D., Inc., FPPC No. 06-311.** Thomas Curtis M.D., Inc. of Van Nuys failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Vaquero Energy Inc., FPPC No. 06-314.** Vaquero Energy Inc. of Bakersfield failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Weseloh Chevrolet Co., Inc., FPPC No. 06-315.** Weseloh Chevrolet Co., Inc. of Carlsbad failed to timely file a semi-annual campaign statement disclosing contributions totaling \$12,500 in 2003 (1 count). \$400 fine.

- **In the Matter of South Coast Emergency Medical Group, Inc., FPPC No. 06-335.** South Coast Emergency Medical Group, Inc. of Huntington Beach failed to timely file semi-annual campaign statements disclosing contributions totaling \$13,236.20 in 2004 (2 counts). \$800 fine.
- **In the Matter of SAMS Venture, LLC, FPPC No. 06-336.** SAMS Venture, LLC of Los Angeles failed to timely file a semi-annual campaign statement disclosing contributions totaling \$58,500 in 2004 (1 count). \$985 fine.
- **In the Matter of John P. Marcus, FPPC No. 06-337.** John P. Marcus of Palo Alto failed to timely file a semi-annual campaign statement disclosing contributions totaling \$30,300 in 2004 (1 count). \$400 fine.
- **In the Matter of Phillip M. Ramos, Jr., FPPC No. 06-338.** Phillip M. Ramos, Jr. of Anaheim failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Susan Harding, FPPC No. 06-346.** Susan Harding of San Diego failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,000 in 2004 (1 count). \$400 fine.
- **In the Matter of SAFE Credit Union, FPPC No. 06-348.** SAFE Credit Union of North Highlands failed to timely file semi-annual campaign statements disclosing contributions totaling \$18,430 in 2002, \$15,297 in 2003, \$25, 141 in 2004, and \$34,120 in 2005 (6 counts). \$3,154.71 fine.
- **In the Matter of Sanford R. Robertson/Jeanne P. Robertson, FPPC No. 06-355.** Sanford R. Robertson/Jeanne P. Robertson of San Francisco failed to timely file a semi-annual campaign statement disclosing contributions totaling \$10,000 in 2004 (1 count). \$400 fine.
- **In the Matter of Wes Keusder & Affiliated Entities, FPPC No. 06-356.** Wes Keusder & Affiliated Entities of Costa Mesa failed to timely file semi-annual campaign statements disclosing contributions totaling \$16,095 in 2004 and 11,050 in 2005 (3 counts). \$1,200 fine.
- **In the Matter of Jacquelynne M. Jennings, FPPC No. 06-357.** Jacquelynne M. Jennings of Walnut Creek failed to timely file a semi-annual campaign statement disclosing contributions totaling \$20,700 in 2004 (1 count). \$400 fine.
- **In the Matter of Weseloh & Sons Chevrolet-Hummer-Honda, FPPC No. 06-358.** Weseloh & Sons Chevrolet-Hummer-Honda of San Juan Capistrano failed to timely file a semi-annual campaign statement disclosing contributions totaling \$12,200 in 2003 (1 count). \$400 fine.

Late Contribution – Streamlined Program

Failure to Timely File Late Contribution Reports – Proactive Program. Chief Investigator Sue Straine and Political Reform Consultant Mary Ann Kvasager. The following entities have entered into a stipulation for failure to file late contribution reports in 2004 and 2006 in violation of Government Code Section 84203:

- **In the Matter of Cartwright Termite & Pest Control, Inc., FPPC No. 05-851.** Cartwright Termite & Pest Control, Inc. of El Cajon failed to timely disclose late contributions totaling \$12,200 in 2004 (2 counts). \$1,830 fine.
- **In the Matter of California Hospitals Affiliated Insurance Services, LLC, FPPC No. 06-416.** California Hospitals Affiliated Insurance Services, LLC of Sacramento failed to timely disclose late contributions totaling \$15,000.00 in 2006 (2 counts). \$2,250 fine.

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